



## Defense Threat Reduction Agency

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### EXCEPTION TO FAIR OPPORTUNITY FINDINGS

**1. Nature and/or description of the action:** The Defense Threat Reduction Agency (DTRA) contracting activity proposes to procure, without requesting proposals from all four multiple award contractors under the Cooperative Threat Reduction Integrating Contract II (CTRIC II), an effort entitled "Ukraine Task Order 0001 Modification for Additional Procurements." The government will solicit only Raytheon Technical Services Company (RTSC) as the contractor to provide the required technical effort.

**2. Description of the supplies/services required:** RTSC, under HDTRA1-11-D-0007 Task Order 0001, is currently providing services in Ukraine to detect, deter, and interdict weapons of mass destruction (WMD) and related materials on the move; particularly along the Ukrainian borders and territorial waters. The current Task Order 0001 Period of Performance (PoP) is from July 01, 2011 through June 30, 2013. The current value of the Task Order is \$39,774,928. The modification will revise the following tasks outlined in the Statement of Work (SOW) and extend the period of performance by one month through July 31, 2013. The estimated value of the additional work is not to exceed \$4.9 million.

- The contractor shall update Appendix "A" to the Statement of Work (SOW) based upon validation of current State Border Guard Service (SBGS) and State Customs Service (SCS) of Ukraine equipment needs and provide this list to DTRA as a contract deliverable
- The contractor shall purchase, deliver, and transfer custody of additional equipment to SBGS and SCS units throughout Ukraine to enhance the Government of Ukraine's (GOU) WMD deterrence, detection, and interdiction capabilities (as per the update to Appendix "A" of the SOW)
  - The contractor shall deliver equipment to designated locations within the PoP in new condition. The contractor should utilize Single Shipper for all shipping unless otherwise approved
  - Unless otherwise directed, all equipment shall include a two-year warranty
- The contractor shall procure Rapiscan Eagle Mobile repair services in support of the SCS under the Weapons of Mass Destruction Proliferation Prevention Program (WMD-PPP)
- The contractor shall provide, integrate, install, test, and transfer custody of [REDACTED] communication equipment for use by SBGS units along areas of the Ukraine-Russian Federation border not presently covered with similar DTRA-provided assets. In coordination with the SBGS, the contractor shall provide engineering analysis to support its

recommended equipment installation locations, including communications area coverage and link analysis



**3. Exception to Fair Opportunity:** FAR 16.505(b)(2)(i)(C), The order must be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.

**4. Justification Rationale:** In June 2011, DTRA awarded a competitive task order to RTSC under DTRA's Cooperative Threat Reduction Integrating Contract II (CTRIC II). All contractors with a CTRIC II IDIQ contract were given the opportunity to compete. RTSC was the successful contractor and was awarded contract HDTRA1-11-D-0007, Task Order 0001. Under this task order, RTSC is performing identical work throughout Ukraine. After discussions with the Ukrainian Government, DTRA decided to increase equipment and add [REDACTED] communication equipment for the Russian border. DTRA has determined that expanding the amount of similar equipment for SBGS and SCS units as well as the expansion of [REDACTED] communication capability for SBGS units to include areas of the Ukraine-Russian Federation border is necessary to avert disruption of cooperative efforts to reduce gaps in critical border security capabilities. Awarding a separate task order for this additional effort would not be economical or efficient. RTSC can complete the tasks while they complete the other work. They are already procuring and delivering the same equipment, and performing the same services on the other Ukrainian borders. A new contractor would need to mobilize significant resources and manpower for this effort. Additionally, having two contractors performing identical work will result in significant decrease in the amount of assistance provided to the implementing agents due to budget offsets that would be required for duplicate project management and engineering. In accordance with DFARS PGI 216.505-70, "[a]ward to any other source would likely result in substantial duplication of cost to the Government that is not expected to be recovered through competition" and "[a] contractor is already at work on a site, and it would not be practical to allow another contractor to work on the same site."

**5. Market Research:** A Market Research Report (signed 28 April 2011) was completed when DTRA competed the recent effort that resulted in RTSC's current task order. The following techniques were used for the market research: historical information for similar requirements; Industry Day with potential offerors held on 2 December 2010; subsequent one-on-one sessions; publication of a Sources Sought Announcement on FedBizOpps; and reviewing other WMD-PPP projects for similar efforts. Other companies would be capable of accomplishing the work; however, RTSC has a project team in place and it is on contract to accomplish identical work on the Ukraine-Moldova and Ukraine-Poland borders. Having a separate contractor complete these additional tasks would not be efficient or economical.



**6. Other Supporting Facts:** Based on historical cost analysis, estimated costs for duplication would be approximately \$1,200,000.00. This is primarily based on the fact that RTSC currently has a project management and engineering team in place and would not hire additional personnel. Other contractors would be required to hire new project management and engineering teams, including associated overhead costs. The value of this additional work is estimated to be a less than 12% increase to the total value of the task order.

**7. Subsequent Actions:** Because this action is follow-on to the previously competed CTRIC II IDIQ task order, and is allowable and appropriate under the order procedures of the CTRIC II base contract, DTRA does not anticipate the need to remove or overcome any barriers. All four CTRIC II contractors were given a fair opportunity to be considered for the original task order. The WMD-PPP does not anticipate any additional borders or equipment will be needed to complete the project.

### Technical Certification

I certify that the data and information forming the basis for this justification are accurate and complete to the best of my knowledge and belief.

//S//  
[Redacted Signature]

9/19/11  
Date

### Contracting Officer Certification and Determination

I certify that this justification is accurate and complete to the best of my knowledge and belief. Additionally, I determine that the order represents the best value consistent with Federal Acquisition Regulations.

//S//  
Lisa A. Murphy, Contracting Officer

9/21/2011  
Date

### General Counsel Coordination

This justification is/is not legally sufficient.

//S//  
[Redacted Signature]

9/27/2011  
Date

### Approval

Based on the above justification, I hereby approve accomplishment of this acquisition by means of limited sources.

//S//  
[Redacted Signature]

9/30/2011  
Date